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THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with President Putin of Russia. (U)

PARTICIPANTS: United States
The President
Condoleezza Rice, Secretary of State
Andrew Card, Chief of Staff to the President
Stephen J. Hadley, Assistant to the
President for National Security Affairs
Beth Jones, Assistant Secretary of State for
European and Eurasian Affairs
Thomas Graham, Special Assistant to the
President and Senior Director for Russian
Affairs, NSC, (Notetaker)
Peter Afanasenko, Interpreter

Russia
President Vladimir Putin
Sergey Lavrov, Minister of Foreign Affairs
Sergey Ivanov, Minister of Defense
Dmitriy Medvedev, Chief of Staff
Igor Ivanov, Secretary of the Security
Council
Sergey Prikhodko, Assistant to the President
for Foreign Policy
Igor Neverov, Head, North America
Department, Ministry of Foreign Affairs,
(Notetaker)
Anton Usbenskiy, Interpreter

DATE, TIME February 24, 2005, 4:20 - 5:30 p.m. local
AND PLACE: Bratislava, Slovak Republic

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Classified by: Gregory L. Schulte
Reason: 1.4(d)
Declassify on: 3/1/15

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President Putin: Look at all the food on the table. Should we have something to eat? (U)

The President: [REDACTED] (U)

President Putin: That's good. (U)

The President: [REDACTED] (U)

[REDACTED] Igor, nice to see you. Where have you been hiding? (U)

Secretary Ivanov: In Moscow. (U)

The President: Thank you all for coming. Vladimir and I had a frank conversation, a good dialogue. We want to make sure the relationship moves forward. I found the discussion constructive, and I hope you did. (U)

President Putin: Absolutely. (U)

The President: Do you want to start? No? Okay, on Iran, thanks for working with Iran. We share the same position. It would be trouble if Iran had nuclear weapons. I appreciate your working with them. We've had this discussion before. The most constructive thing in the dialogue is your insisting that the fuel come from and be returned to Russia. We want to work with you so that Iran does not develop nuclear weapons. That's all I have to say. We have no relations with Iran. We are cheering you on. (U)

President Putin: Americans do have relations with Iran. Such ties do exist. I'm aware of this, especially from the Iranians, but not only from them. I was visited by Ruhani. (U)

The President: By whom? (U)

Secretary Rice: The National Security Adviser of Iran. (U)

The President: I beg your pardon. (U)

President Putin: The Iranians asked me to remind you that the elections in Iraq took place with their support. They don't want you to forget that they took a constructive position on Iraq. The Americans should know that. Iran is preparing a very constructive approach to the situation in Iraq. In general, they would like to begin to have relations with the United States. This is very pleasing, but it raises some

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questions. They agreed to the spent-fuel return agreement, but they are demanding a significant amount of supplies immediately, before Bushehr is finished. We said we were not going to do that. At our insistence, we will deliver it on the eve of the completion of construction, 2 to 3 months in advance, and load it directly. So I should tell you we have a consistent approach. The Iranians need to fulfill the IAEA's control and technical schedule. The second item for attention is that they didn't confirm their intention to continue the moratorium on the fuel cycle. We said we are very disappointed by that. We are opposed to their acquiring the fuel cycle. We were prepared to visit Iran for a summit, but it was postponed. We have to think about such a visit and how it could be used. We should keep in touch with you and Rice. We should work with the Europeans so that the situation evolves positively. (S)

The President: Yes, we should do that. I appreciate your leadership. (S)

President Putin: I just mentioned the details of importance from the visit. (S)

The President: The situation is troubling. If they hear the same message from the Europeans, the United States, and Russia, it will help: energy for electricity, but not for bombs. (S)

President Putin: Their position is that they are developing atomic energy within international guidelines. They have a right to the production of the fuel cycle like other countries. Brazil, for example, has such rights. (S)

The President: Brazil doesn't want to build bombs. (S)

President Putin: Iran says it won't either. I say the same thing, but my reason is different. I say, I understand you. It's unjust, but you need to understand that Brazil is not in the Middle East, it doesn't have the same relationship to Israel. The situation with Brazil is different. So, while sympathizing, nevertheless, I urge them to have more patience. It's a tough conversation. That's what I wanted to say. (S)

The President: Thanks. (S)

President Putin: Getting back to the matter of the CIS and Central Asia. I know the bases, the airfields, were installed to deal with the situation in Afghanistan. According to our information, the Americans are making a further request to

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Kyrgyzstan to place AWACs there. That has nothing to do with Afghanistan. (S)

The President: That's the first I've heard of that. We will look into it. (S)

President Putin: The AWACs would allow for a significant monitoring of Chinese territory. They are very sensitive about that. (S)

The President: We will look into it. (S)

President Putin: It raises some questions. (S)

The President: It bothers you? (S)

President Putin: Yes. (S)

The President: Sergey, did you bring this up with Don? (S)

Minister Ivanov: Yes, in Nice. (S)

The President: So they've talked about it? (S)

President Putin: Several years ago, we established the Collective Security Treaty Organization to help build stability in Central Asia. It addressed itself to NATO to discuss international and general matters. I believe it's a good idea and expect a response from NATO. I hope to get your support. (S)

The President: Have you brought it up with Rumsfeld? (S)

Minister Ivanov: Yes, but to no avail. (S)

The President: Bring up something I know something about. (S)

President Putin: To please you, I will do that and speak philosophically. On the Baltic states, I am trying to find a formula for May 9 that is a positive signal to the Balts, but we also expect a pro-active position by the United States on the situation in the Baltic states. The Russian-speaking minority is in an unequal condition. This has been admitted by all European organizations. The Baltic states have a category of people in Latvia that is unprecedented - "non-citizens." They're 400,000. They are deprived of all rights, including the right to vote. In Estonia, they have the right to participate

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in municipal elections, but not in Latvia. Our new/old friends in the European Union are inventing interesting options in Macedonia, where 20 percent of the population is Albanian and has the right to proportional representation in government bodies. But in Riga, where 60 percent of the population is Russian, they have no rights. (S)

The President: The ethnic Russians have no rights? (S)

President Putin: They don't have the right to participate in any body of authority. They are deprived of that right. (S)

The President: I appreciate your bringing that to our attention. (S)

President Putin: I talk to the Europeans about this, and they say the situation is different, but why? They say the situation is all right in the Baltics. (S)

The President: So you have problems with the Europeans, too? They like you a hell of a lot better than me. (S)

President Putin: Russia's a big country, so we have problems there and elsewhere. Do you want me to run through the problems East to West? (S)

The President: No, why don't you do it West to East. Let's discuss the 6-Party Talks. Hu is the main person to convince Kim. (S)

President Putin: I told him that. (S)

The President: He has the best leverage. (S)

President Putin: China has called Rice, so she knows everything. (S)

The President: The world needs to see us work together on North Korea. The same goes for the Road Map. (S)

President Putin: The state of affairs can bring a resolution. There has been significant improvement. (S)

The President: Abbas was in Moscow recently. What did you think when you met him? (S)

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President Putin: He is absolutely different from Arafat, who was a leader of a revolution. Abbas is a politician. He has real chances. What he is now doing is succeeding in making arrangements with everyone, including Sharon. Speaking of settlements, he doesn't mean that they have to be withdrawn, only curbed. Abbas is also working with Syria. (S)

The President: Good. (S)

President Putin: President Asad recently visited. We invited him 5 years ago, but now everyone is paying attention to our relations with Syria. We had good relations, but he did not visit and he was working on relations with China. But now he is a little bit worried, so he decided to come to us. As for the Syrian troops in Lebanon, he thinks of it as a business problem, because money is involved. We have traditionally enjoyed good relations with Syria, and we are demonstrating good will. He wants to support good relations, and we want to see a positive dynamic. I was called by Sharon on weapon supplies to Syria. There were stories on katushkas in Lebanon. You know what katushkas are? (S)

The President: I know what katushkas are. (S)

President Putin: They were used in World War II. But no one could provide information on where they were located. We are not going to sell weapons that could be used for offensive purposes against Israel. The usual range for katushkas is over 250 kilometers. In the export version, it's not over 200 kilometers. But I understand the Israelis' concerns, and won't sell them. I stopped the negotiations. We will supply short-range surface-to-air missiles, not MANPADS, but ones on a vehicle with a range of 4 to 5 kilometers. I told the Israeli President that 2 months ago, Israel was flying jets over the palace of the Syrian President. All his children hid under their beds. I asked why they need to do this. The air defense system will make the Israelis think. They are not offensive weapons, they can't reach Israel, and they can't be secretly passed to terrorists. Third, we have demanded the right to inspections at any time any place in the contract. The Syrians object. So these weapons have nothing to do with terrorism. They help develop Syria's defensive capabilities. That's a difficult topic, and a matter for separate discussions. (S)

The President: I want to give you a heads up. I don't usually put words in other leaders' mouths, but Chirac says he knows who ordered Hariri's assassination, the Syrians. That's what he

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thinks. U.N. Security Council Resolution 1559 is a joint U.S.-French resolution. It demands that Syria get its troops and secret services out of Lebanon. We can work together on that, and it's important that that happens, before the elections, if possible. Generally, I do not share private discussions. But that is what he raised with me point blank. (S)

President Putin: I know his stand on both matters. Chirac was a close friend of Hariri's. He introduced me to him. He was a good person. But I don't believe that the Syrians had anything to do with it, it would have had a bad effect for them. President Asad told me he supports the current government in Lebanon for economic reasons. I'm not sure that is true, but it is a complex situation. (S)

I want to raise a couple of other matters. First, WTO accession. It's a complex controversial problem in our country. Those in the processing industries are opposed to WTO. They believe we do not have a competitive advantage. But those in oil, metals are for accession. Our accession is in the interest of all our partners, including the United States. We are striving toward accession. Russia is prepared to make its contribution to liberalizing tariffs, to liberalizing access to services, including financial services. We want everything to be on standard terms, we want no special terms for Russia. I am grateful, George, for your initiative. The negotiators will feel it. (S)

The President: IPR is a key element. (S)

President Putin: That's a separate item for discussion. I am also prepared to cut tariffs by 40 percent for leasing airplanes and to remove all obstacles for financial companies in Russian markets. The agreement on meat quotas is on track. (S)

The President: Chickens or meat? (S)

President Putin: Today, the quota is the same as the one in the unsigned agreement. (S)

Minister Lavrov: The actual quota for this year is the same as agreed to. (S)

President Putin: We believe there will be an unbiased approach to negotiations. Cuba, you know, is a WTO member. (S)

The President: Cuba really is a member? (S)

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President Putin: Yes, and causing us problems. They demand that we fully open our market for sugar. They have a very tough position on this. If we are to accede in 2005, we have to sign our bilateral protocol already in May. (S)

The President: May would be hard. (S)

President Putin: I don't see any reason why not. We have agreement on all positions. (S)

The President: I don't know. I haven't talked to Zoellick, who, by the way, now works for Condi. (S)

President Putin: You don't need to talk, just give instructions. On space cooperation. We don't have a second rescue vehicle. The limitation is linked to Iran, there's a law on Iran that blocks procurement of necessary equipment from Russia. I told you about our cooperation with Iran, nothing is a secret. But the position taken by Congress is unhelpful. I'd like to ask you to join me in dealing with this. (S)

Secretary Rice: The law is the Iran Non-Proliferation Act. There is some missile cooperation going on. But this is one item we should take a look at. (S)

President Putin: We are prepared to be tough. We don't want missile technology to be developed in Iran. (S)

National Security Advisor Hadley: There's a certification procedure. (S)

The President: Bodman is going to be the main guy on energy, LNG, pipeline construction. (S)

President Putin: There is a good project on LNG for the U.S. market. If negotiations go as they should, by 2011/12, there will be large-scale deliveries to the United States. Gazprom is involved. American companies are buying into the oil market. In one of our companies, Lukoil, the state owned 7 percent. We sold that to ConocoPhillips. (S)

The President: Right. (S)

President Putin: We made a good profit, but not too much. (S)

The President: It's never too much. (S)

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President Putin: In principle, we didn't get what we could have. But we didn't need additional money for the budget. So I agreed not to violate the existing arrangement. (S)

The President: How's the economy doing? (S)

President Putin: Last year, it grew at 7.1 percent. (S)

The President: That's good. (S)

President Putin: China exceeds 10 percent every year. (S)

The President: They're a powerhouse. They consume more energy than we do, more steel, more raw materials. They are growing. (S)

President Putin: Another opportunity for cooperation is a pipeline in West Siberia, a Northern Pipeline to export to U.S. markets. (S)

The President: The more customers, the better. (S)

President Putin: China urged us to build a direct pipeline to China, but we chose another market, and will build a line to Nakhodka. (S)

The President: How are relations with Hu? (S)

President Putin: Very good. We had been in negotiations to settle the border problem for 40 years. Last year, we signed a border treaty. (S)

The President: Congratulations. (S)

President Putin: It was the biggest event in Sino-Russian relations. (S)

The President: You have a lot of Chinese across the border. (S)

President Putin: There are more of them in large cities in Russia, now. The numbers are growing. (S)

The President: We have 8 to 10 million illegal immigrants, mostly from Mexico and Central America. (S)

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President Putin: I know, in the south of the United States.

(S)

The President: The Mexicans actually help our economy. They do work Americans wouldn't. They make money and send an important part of it to Mexico. (S)

President Putin: We also get cheap labor from the CIS countries. There are 25 million ethnic Russians there. There is no difficulty if other people come to Russia from there. We don't care about ethnic differences. They speak Russian, they are people of Russian culture, so they have no problem in adapting. It's not like Africans to the EU, who take long years to assimilate. In Ukraine alone, there are 15 millions Russians, which is 25 percent of the populations. That's what the official census showed 15 years ago. One hundred percent of Ukrainians are Russian speaking. By the way, the Ukrainians are going to fully nationalize their economy. They are talking of nationalizing 30,000 [did he say 30,000 or 3,000?] enterprises. That is the entire economy. The Prime Minister, Tymoshenko said that. Yushchenko corrected her and said not 30,000 but 30 key, strategic ones. But this is the whole economy. You always speak about Yukos. But we went through legal procedure, and the Ukrainians are talking about practically the whole economy. Lots of people from Ukraine work in Russia, in low-wage, unskilled work, such as construction. In Armenia, there are 2 million Armenians, and there are 2 million Armenians in Russia, more than in Armenia itself. There are 5 million Georgians in Georgia, and about a million in Russia. They transfer money to their families in Georgian, more money than in the Georgia budget. (S)

The President: That's what you get for being a big economy. Are there Koreans in Russia? (S)

President Putin: Kim refused to come for the May 9 celebrations. He was dissatisfied with our position on the 6-Party Talks and concerned about aggressive American imperialism. (S)

The President: As if we are getting ready to attack him. It's hard to believe. (S)

President Putin: He wants to talk to you directly. The Chinese ask both of us to make changes to the U.S. position. (S)

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The President: We can't let Kim peel us off from China. We can't afford to lower our leverage. ~~(S)~~

President Putin: The Chinese asked you to consider if the U.S. could hint at recognizing North Korea's sovereignty. It's quite reasonable. It would be good grounds for the Talks. ~~(S)~~

The President: Recognition of sovereignty? ~~(S)~~

President Putin: Just hint that this is possible. ~~(S)~~

The President: We won't attack. But Kim keeps changing what he wants. He's insecure. ~~(S)~~

President Putin: They have nothing to lose. ~~(S)~~

The President: Great meeting. Time for the press conference. ~~(S)~~

- End of Conversation -

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